VZCZCXRO7797
OO RUEHDT RUEHPB
DE RUEHJA #1638/01 2731000
ZNY CCCCC ZZH
O 301000Z SEP 09
FM AMEMBASSY JAKARTA
TO RUEHC/SECSTATE WASHDC IMMEDIATE 3444
INFO RUCNARF/ASEAN REGIONAL FORUM COLLECTIVE PRIORITY
RHMFISS/HQ USPACOM
RUEAIIA/CIA WASHDC
RHEFDIA/DIA WASHINGTON DC
RHEHNSC/NSC WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 JAKARTA 001638

SIPDIS

DEPT FOR EAP, EAP/MTS, EAP/MLS, EAP/RSP, EAP/ANP NSC FOR D.WALTON

E.O. 12958: DECL: 09/30/2019 TAGS: <u>PGOV PNAT ECON ID</u>

SUBJECT: PAPUA -- CONTINUED PROBLEMS, AND POSSIBLE NEW HOPE, FOR INDONESIA'S TROUBLED EAST

REF: JAKARTA 1561 AND PREVIOUS

Classified By: Dep/Pol/C Darcy Zotter, reasons 1.4 (b+d).

11. (C) SUMMARY: Eastern Indonesia's Papua and West Papua provinces remain troubled. The region is politically marginalized and many Papuans harbor separatist aspirations. Low-level violence continues, including a series of shootings near an American-owned mine, although it poses little immediate threat to the government's control of the region. Despite extraordinary natural resource wealth, Papua's economic development lags far behind the rest of Indonesia. President Yudhoyono has promised to focus on Papua in his next term and has sent Vice President-elect Boediono to the region this week in order to assess conditions. Papuans hope this signals a new approach, but many are skeptical that it will bring any real change. END SUMMARY.

## AT THE END OF THE EARTH

- 12. (C) Indonesians often say that although Papua is a seven hour flight from Jakarta the province is really 2,000 years away. Papua's several hundred indigenous cultures—each with its own language—are alien and exotic to most Indonesians. Many communities in the Papuan highlands were living with stone—age technology until just a few decades ago. For most Jakarta officials Papua remains a dark and mysterious place filled with tribal conflicts, separatist sympathizers and chronic governance problems.
- 13. (C) For Papuans, Jakarta remains a distant and unresponsive ruler. Past decades of authoritarian rule and political marginalization have fueled Papuan alienation from the Indonesian mainstream. A small number of Papuans have taken up arms in the separatist cause although they remain a marginal threat to government control. Many more Papuans harbor lingering resentment and a feeling that they do not belong in Indonesia.
- ¶4. (C) The Indonesian government attempted to address Papuan grievances by enacting a Special Autonomy Law for the region in 2001. Under the law, the provincial government assumed responsibility for all matters except foreign affairs, defense and security, fiscal and monetary policy, religious affairs, and justice. The Special Autonomy Law also required that Jakarta give the provincial government a greater portion of the revenue from Papua's massive natural resource exports. The additional revenue was intended to allow the provincial government to address Papua's chronic underdevelopment. However, provincial authorities have lacked the human and institutional capacity to assume these added responsibilities. Most money transferred to the province remains unspent although some has gone into ill-conceived

projects or disappeared into the pockets of corrupt officials. Many central government ministries have been reluctant to cede power to the province. As a result, implementation of the law has lagged and Papuans increasingly view the law as a failure.

## LONG SIMMERING TENSIONS, OCCASIONAL VIOLENCE

- 15. (C) Papua is tense. Relations between indigenous Papuans and migrants from other parts of Indonesia are often difficult. (Note: Approximately 1.5 million of Papua's 2.5 million residents are indigenous.) Most experts agree that indigenous Papuans will be a minority in the region in a few years. The economic disparity between the two groups—migrants are more prosperous—stokes resentment and tension.
- 16. (C) Papua is sometimes violent. Long-running tribal wars, usually conducted with spears and arrows, are common in the central highlands. Separatist groups sometimes attack the police or military although these attacks are infrequent and do not pose any immediate threat to Indonesian government control of the region. So far, however, Papua has avoided significant violence between indigenous people and migrants despite the tensions between the two groups.
- 17. (C) Violence in the region can be serious. Since July 11, unknown assailants have conducted fourteen attacks near the operations of U.S. mining giant Freeport-McMoRan (see reftel). The series of shootings has killed three people--including one Australian Freeport employee--and injured twenty four. While the police have arrested some

JAKARTA 00001638 002 OF 002

individuals allegedly involved in the shootings, they have been unable to end the attacks. Nor have the authorities established who is responsible, although it is likely that separatists are involved.

## POVERTY AMID WEALTH

- 18. (C) Papua has enormous natural resource wealth. Freeport-McMoRan's Papua operation is one of the world's largest copper and gold mines and usually Indonesia's single largest tax-payer. BP has recently opened a major natural gas project in Bintuni Bay, West Papua, that could make a similarly large contribution to the Indonesian economy. Additionally, Papua is the site of vast potential forestry resources, although the provincial government has restricted logging in the interests of conservation.
- 19. (C) Despite this wealth, Papuans remain poor. The region lags behind the rest of Indonesia in virtually all development indicators. Health care and education are severely underdeveloped, particularly for ethnic Papuans. The region's HIV/AIDS infection rate is far above the national average, and diseases like malaria and tuberculosis are widespread. Malnutrition is common, especially in remote highland areas. Papuan schools are often poorly equipped and teachers are frequently absent. Poor infrastructure hampers efforts to address these deficits. There are very few roads in the vast and mountainous regions, and many villages can only be reached in small aircraft. All of these factors feed Papuan resentment.

## A POSSIBLE NEW DIRECTION

110. (C) President Yudhoyono has signaled a new resolve to tackle Papua's problems during his next term. (Note: He begins his second term on October 20.) As a start, he has sent Vice President-elect Boediono (one name only) to the region for a three-day visit to assess conditions. Boediono said the government would give the region "special attention," especially regarding infrastructure development. Central government authorities would also support provincial efforts in the health and education sectors. Boediono

promised that the central government would consult more regularly with provincial officials, according to Ronald Tapilatu, an advisor to Papua Governor Barnabas Suebu.

111. (C) Papuan reactions are mixed. Our contacts in the governor's office said they expected significant positive attention from the new government in the coming months. Other sources told us that President Yudhoyono sees addressing Papuan tensions as a follow-up to his previous efforts to end the long-standing separatist conflict in Aceh. However, many Papuan civil society groups and activists remain skeptical that the new attention to the region will bring any real change. They point to the unfulfilled promise of Papua's Special Autonomy Law as one reason for their doubts.

OSIUS